

SURFACE TRANSPORTATION BOARD

PRESCRIPTION OF DEPRECIATION RATES

for

TRACK PROPERTY OF GRAND TRUNK CORPORATION

GTC-TR-14

Rates Effective: January 1, 2014

Grand Trunk Corporation (GTC) has submitted depreciation rates for its track property. Life and salvage estimates supporting these rates were also provided and have been given appropriate consideration.

The depreciation rates prescribed herein replace any rates previously prescribed for the subject property. Beginning on the effective date of this prescription, the railroad is prohibited from using any rates other than those prescribed herein. As stated in *49 U.S.C. 11143*, a rail carrier may not:

- (1) charge to operating expenses a depreciation charge on a class of property other than that prescribed by the Board;
- (2) charge another rate of depreciation; or
- (3) include other depreciation charges in operating expenses.

IT IS ORDERED:

- (1) Grand Trunk Corporation shall account for depreciation charges for its track property by applying the annual component percentage rates shown herein to the ledger value of its track property, owned and used in its operations.
- (2) The depreciation rates shall be effective from **January 1, 2014, to December 31, 2019**, or until further order of the Board.
- (3) The adequacy of the book accumulated depreciation for GTC track property will be addressed in a separate depreciation prescription.

DEPRECIATION ACCRUAL RATES FOR GTC TRACK PROPERTY		
8.10	Ties - Density I	4.06
8.20	Ties - Density II	3.34
8.40	Ties - Density IV	2.78
9.10	Rail & OTM - Density I	2.38
9.20	Rail & OTM - Density II	1.62
9.40	Rail & OTM - Density IV	1.72
11.10	Ballast - Density I	2.44
11.20	Ballast - Density II	2.08
11.40	Ballast - Density IV	1.82

Decided April 21, 2014, by the Surface Transportation Board, Accounting Board.